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## FISCAL IMPACT REPORT

SPONSOR Garcia DATE TYPED 2/15/05 HB \_\_\_\_\_

SHORT TITLE Preservation Tax Credit Study SB 467

ANALYST Hadwiger

### APPROPRIATION (in \$000s)

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$75.0			Non-Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Cultural Affairs Department (DCA)

### SUMMARY

#### Synopsis of Bill

Senate Bill 467 appropriates \$75,000 from the general fund in FY06 to the Historic Preservation Division of the Cultural Affairs Department (DCA) to contract for an analysis of the economic impact of the New Mexico income tax credit on preservation of cultural properties.

#### Significant Issues

DCA indicated SB467 would enable that agency to determine the economic and preservation benefits to property owners and communities that have accrued since the income tax credit on preservation program was initiated in 1984 and make recommendations for the future. The income tax credit program is applicable to any site or structure listed in the State Register of Cultural Properties individually or as a contributing structure in a State Register Historic District owned by a New Mexico income tax paying entity. The credit is available to property owners who incur expense for the restoration, rehabilitation, preservation, or work to meet code on a registered cultural property. The credit is 50 percent of the approved preservation expenditures up to a maximum \$25,000 credit per project.

**FISCAL IMPLICATIONS**

The appropriation of \$75,000 contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

**ADMINISTRATIVE IMPLICATIONS**

DCA indicated SB467 would have administrative and staffing implications for HPD. The division would request a small percentage of overall funding for administrative costs.

DH/yr